Congress Is Crippling the CIA

By Rowland Evans and Robert Novak

Charged with "overseeing"
U.S. intelligence, too
many lawmakers, with
too many political axes to
grind, are leaking too
many vital secrets.
It's time to plug the holes

stretch limousine carrying Sen. Patrick Leahy (D., Vt.) pulled up to CIA headquarters in Langley, Va. Vice chairman of the powerful Senate Select Committee on Intelligence, Leahy had asked for a full briefing on the Achille Lauro hijacking. But why before dawn?

Because Leahy had agreed to appear on the CBS "Morning News" at 7 a.m. to comment on the interception by U.S. pilots of the hijackers' plane. Following his meeting, Leahy, who now possessed every secret in the case, was driven directly to CBS studios in Washington. "It's a major triumph for the United States," reported Leahy. Then he made an extraordinary disclosure: "When [Egyptian President Hosni] Mubarak went on the news yesterday and said the hijackers had left Egypt, we knew that wasn't so. Our intelligence was very, very good."

Leahy had inadvertently tipped intelligence specialists from Cairo to Moscow that the United States had intercepted Mubarak's phone calls and heard that the Achille Lauro hijackers were still in Egypt. The conversations had been "read" by communications intelligence and flashed to computers in Fort Meade, Md., where the National Security Agency daily monitors thousands of intercepted voice signals.

The disclosure would bri Egyptian countermeasures to sa guard subsequent telephone ca Every government in the world to note, and reacted by tightening sec rity on communications. Leahy sisted to an incensed CIA direc William Casey that Administrati officials had publicly disclosed thijackers' whereabouts the day to fore he went on TV.

This incident is one of mashowing that the current era Congressional oversight of the C is simply not working. Instead, the Senate and House Intelligence Committees have become conduits for classified information. CIA efforts to

thwart international terrorist actions or to lend support to anti-communist guerrillas are difficult enough, but keeping those operations secret has become nearly impossible. And vital intelligence-sharing by U.S. allies has been severely hampered by concerns in foreign capitals over the leakage of information passed to Washington.

Pattern of Leaks. Under the present oversight system, the 31 members of the House and Senate committees, plus more than 60 staff members, are informed of proposed covert operations. "Any one of these people who does not believe in an operation can appoint himself or herself to stop it," says Rep. Michael DeWine (R., Ohio). "All they need to do is call a reporter." Thus, the ability to make or break government policy is widely dispersed.

Congressional leaks concern Rep. Henry Hyde (R., Ill.), a member of the House Permanent Select Committee on Intelligence. He has bluntly scolded colleagues, reminding them that with Congress's "need to know" for oversight purposes "goes the overriding responsibility to keep much of that information secret."

The impact on U.S. relations with allies has been severe. Casey has testified that leaks "do more damage than anything else" to U.S. intelligence and to "our reputation and reliability" among allies. In fact, concern about American leakage has spread across the world, often disrupting U.S. policy. For

Operations of the U-2 spy plane.

Until 1974, a small group of senior members of Congress worked with floor leaders of both parties as an informal oversight

panel. They were briefed by the CIA director himself, usually without Congressional staff present.

But questionable domestic surveillance activities, assassination plans, and other abuses by the CIA in the 1970s led to the branding of the agency as a "rogue elephant," transforming that collegial atmosphere. A rapid politicization of intelligence marked the new era of CIA oversight. In 1982, for example, the Democratic-controlled House Intelligence Committee released a staff report asserting that the Administration was cooking intelligence to gain support for its policy in Central America. According to the committee's own intelligence consultant, former deputy director of the CIA Adm. Bobby

Inman, the report was "filled with biases," and in fact had been prepared at the specific request of committee members with a partisan ax to grind. Furious that he had not been consulted, Inman resigned.

A clear breach of secrecy occurred in September 1984 with press reports of a CIA briefing of the Senate Intelligence Committee that revealed our knowledge of a top-secret Indian proposal to make a preemptive strike against Pakistan's nuclear facility. Realizing its security had been compromised, the Indian government launched an investigation. The probe broke up a French intelligence ring that

Continued

Justice Dept. Launches Criminal Probe Of Iran Arms Fund Transfer to Contras

CIA Tied to Unauthorized Shipment

By Walter Pincus and John M. Goshko Washington Post Staff Writers

In November 1985, the Central Intelligence Agency helped arrange what turned out to be a clandestine shipment of arms from Israel to Iran, two months before President Reagan signed a secret authorization for such operations, well-placed sources said yesterday.

A month after the shipment, John N. McMahon, who was then the CIA deputy director, insisted that the agency obtain formal presidential permission if it was to become further involved in the shipping of arms to Iran, according to administration and congressional sources.

Sen. David F. Durenberger (R-Minn.), chairman of the Senate Select Committee on Intelligence, told Duluth, Minn., radio station WEBC yesterday that the CIA arranged a plane in November 1985 for what it thought were oil-drilling parts for Iran that turned out to include weapons.

Durenberger said CIA officials had told him that "they didn't know they were being asked . . . for their help in shipping arms" and that they were "under the understanding at the time" that the plane was carrying oil-drilling parts.

That request for the CIA's help came from Lt. Col. Oliver L. North, the National Security Council staff member who was fired Tuesday by President Reagan, sources said.

CIA Director William J. Casey, who was on a trip to China at the time, gave permission for the agency action, sources said.

ABC television last night identified the CIA-chartered company that carried Hawk antiaircraft and TOW antitank missiles from Israel to Iran as Southern Air Transport Inc., which has previously been tied to the Iranian operation and to resupply flights to the contra rebels fighting the government of Nicaragua.

The November 1985 involvement by the CIA appears likely to intensify congressional demands for an administration explanation about whether federal laws were violated.

Attorney General Edwin Meese III said in his Tuesday news conference that there was a November 1985 shipment of arms to Iran that was later returned but that it had been arranged by Israelis without

any notification or explicit authorization from the United States. Meese said the United States did not learn of that shipment until last February. The shipment of Hawk missiles reportedly was returned by Iran because the munitions were obsolete.

In response to National Security Council pressure in late 1985 to send arms to Iran, State Department officials arranged for a White House meeting last Dec. 6 so that Secretary of State George P. Shultz and Defense Secretary Caspar W. Weinberger could tell President Reagan of their objections to such a program.

Ten days after a second White House meeting last Jan. 7, Reagan, signed a secret "finding," which authorized CIA participation in such arms shipments. The finding was locked in the safe of Vice Adm. John M. Poindexter, the national security adviser who resigned Tuesday.

Last Friday, the House Permanent Select Committee on Intelligence told Casey to produce a full accounting of funds from the sale of U.S. arms to Iran. The demand hastened the weekend inquiry by Meese and the electrifying disclosure on Tuesday that money was diverted to support the contras, according to congressional sources.

Casey told the committee that the CIA had set up "a sanitized Swiss bank account to receive money from the Iranian sale," according to one member. But the CIA director said he did not know who made the decision to set it up, who determined what money went into and out of the account, or whether commissions were paid to middlemen, according to another member.

"Casey seemed to be deliberately ambiguous" and was told the committee insisted on a detailed accounting, one senior member said. He added that he thought the CIA director was "pretty nervous" during the questioning about money distributed from the arms sale "and went back to Meese to say they had a problem." Meese said this week that he had launched his inquiry after talking to Reagan on noon Friday.

Defina)

The Justice Department had already been tipped off Casey told the House committee, as he did the Seplast Thursday that there were intercepted radio messages that raised questions about the discrepancy between the large sums paid by Iran for the U.S. arms and the much lower value placed on them by the Defense Department, according to informed sources.

In his Tuesday news conference, Meese said that his inquiry was touched off by "a thorough review of a number of intercepts, and other materials." U.S. officials usually do not talk publicly about intercepts resulting from electronic intelligence operations, which are conducted by the National Security Agency (NSA) from bases with listening equipment around the world and from satellites in space.

Sources said yesterday that the NSA is now reviewing much of the radio traffic from Iran and other relevant areas which it automatically had recorded but does not usually translate and review without special cause.

In the wake of Meese's revelations Tuesday at a White House briefing for congressional leaders and Casey's appearance last Friday in closed sessions before the House panel, the roles played by the director and his agency remain "blurred," according to one legislator who sat in on these sessions.

Meese told his news conference that the CIA was "the agent for the United States government" in handling the money from the arms sales but that there was "no indication whatsoever, to the best of our knowledge," that anyone in the CIA knew about the Swiss bank accounts through which \$10 million to \$30 million from the arms sales was funneled to the Nicaraguan rebels.

Meese and Casey both said that the U.S. value put in the four shipments of American arms made to Iran wia Israel this year was \$12 million. Neither official, however, could say how much the Iranians paid for the

Meese told the congressional leaders that hypothetically one shipment, valued at \$3 million to \$4 million by the Pentagon, was sold to the Iranians for \$19 million. The United States was repaid its costs, and the remaining funds were divided with \$12 million going into the contra account and \$3 million going to middlemen and arms brokers.

ate intelligence committee later the same day, that the CIA supplied one of its retired officers, George Cave, to the White House-run project because he had served as station chief in Iran and was fluent in Farsi. Along with setting up the Swiss bank account, agency personnel also handled the four 1986 arms transfers from the Pentagon to the individuals who took over when the weapons were shipped to Israel, sources said.

Overall, Casey told the legislators that the agenda made "a relatively minimal contribution" with a total cost to CIA of \$40,000 to \$50,000, sources said.

Throughout his testimony, legislators said, Casey repeatedly said he didn't know much about the details. He did say that some commissions may have been paid to arms brokers and that \$350,000 may have been left over in the CIA account.

Overall, the total value of the U.S. arms shipped to Iran was \$12 million. Three of the four 1986 shipments-in February, August and late October-carried TOW antitank missiles; 500 on two of the flights and 1,000 aboard the third.

The May 28 flight to Tehran, which carried former national security adviser Robert C. McFarlane, North, Cave and reportedly an Israeli general, included a pallet of spare parts for Hawk antiaircraft missiles, the CIA told the House panel, according to sources.

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3 October 1986

President Says He Intends To Keep Gadhafi Off Balance

Reagan Denies Domestic Disinformation

By David Hoffman Washington Post Staff Writer

President Reagan said yesterday that he wants to make Libyan leader Moammar Gadhafi "go to bed every night wondering what we might do" to deter terrorism, but he denied that a plan he approved in August involved the spread of "disinformation" through the American news media.

Reagan was responding to a report yesterday in The Washington Post that the administration launched a secret effort of deception aimed at convincing Gadhafi that he was about to be attacked again by U.S. bombers and perhaps ousted in a coup.

The secret plan was outlined in a three-page memo sent to Reagan by national security affairs adviser John M. Poindexter. It called for "real and illusionary events-through a disinformation program-with the basic goal of making Gadhafi think that there is a high degree of internal opposition to him within Libya, that his key trusted aides are disloyal, that the U.S. is about to move against him militarily."

Other administration officials said yesterday that the plan was approved by Reagan in a secret National Security Decision Directive that authorized the Central Intelligence Agency to spread false information about Gadhafi abroad and also ordered a series of U.S. military movements designed to frighten the Libyan leader.

Secretary of State George P. Shultz told reporters in New York last night that he knew of "no decision to have people go out and tell lies to the media" but that "if there are ways in which we can make Gadhafi nervous, why shouldn't we?

"Frankly, I don't have any problems with a little psychological warfare against Gadhafi. It's very easy. You people in the media enjoy not allowing the United States to do anowing the United States to do should never say that," he said. "We anything in secret, Approved 12 Release 2005/12/14: CIA-RDP91-00901R000600190009-6 it," he said.

Shultz noted Winston Churchill's statement in World War II that "in time of war the truth is so precious it must be attended by a bodyguard of lies," adding that "insofar as Gadhafi is concerned we don't have a declaration of war but we have something darn close to it."

Presidential spokesman Larry Speakes said Poindexter had told him there was no effort by the U.S. government to spread disinformation in the American media. Speakes said a report in The Wall Street Journal about Libya last August included intelligence information on Gadhafi that was "generally correct," although he said the newspaper had included "inflammatory stuff" in its report. After the Journal story appeared Aug. 25, Speakes had described it as "authoritative."

Speakes said yesterday that he had no comment on whether the administration had spread false information about Gadhafi outside the United States.

Reagan, meeting with a group of newspaper columnists and broadcast commentators at the White House yesterday, at first said, "I challenge the veracity of that entire story" published in The Post vesterday. But he then said the administration had been paying close attention to Gadhafi and "I can't deny" that "here and there, they're going to have something to hang it on."

Asked whether there were memos describing a deliberate effort to mislead the American people, Reagan said: "Those I challenge. They were not a part of any meeting I've ever attended."

Pressed further about whether the administration intentionally put out faise information. Reagan recalled arguments about using nuclear weapons in Vietnam while he was California governor.

"And I said at the time that, while we knew that we were never going to use nuclear weapons there, we should just let them go to bed every night wondering whether we might use those weapons. Well, the same thing is true with someone like Gadhafi and with all the speculation that was going on in the media throughout the world about whether our action would tempt him into further

"And constantly there were questions-aimed at me as to were we planning anything else. My feeling was, I wouldn't answer those questions. My feeling was just the same thing-he should go to bed every night wondering what we might do.

A senior administration official closely involved with the Libya plan took issue with The Post account in a briefing for newspaper columnists and broadcasters at the White House. He described as "absolutely false" the "implication that somehow the U.S. government had initiated or that the president had authorized a program of disinformation for the American media." He added, "You must distinguish between the audiences, you must distinguish between deception and disinformation."

The Post account said that beginning with the Aug. 25 Wall Street Journal report, the American news media reported as fact much of the false information generated by the Poindexter plan. Published articles described renewed Libyan backing for terrorism and a looming, new U.S.-Libya confrontation.

But the Poindexter memo said U.S. intelligence had actually concluded in August that Gadhafi was "quiescent" on the terrorist front.

Yesterday, Speakes said some facets of the Journal article were correct, although "not necessarily the conclusion or speculation." One assertion that he said was correct was that there was "growing evidence" that U.S. air raids April 14 in Libya had not ended Libyan-sponsored terrorism.

A senior administration official, speaking at the same White House briefing, said that the evidence began coming in after July 15. This included an "increasing number of reports," he said, that Gadhafi was shifting the people involved in terrorist attacks from People's Bureaus to Libyan Arab Airlines offices.

Asked yesterday whether the administration had a policy against spreading disinformation, Speakes said he was not aware of one but that other government agencies such as the U.S. Information Agency had policies barring it.

Meanwhile yesterday, administration sources said the Justice Department plans to ask the Federal Bureau of Investigation to conduct an inquiry into yesterday's Post story. The probe would be referred to a new unit in the FBI's Washington Field Office that was set up under a reorganization last spring to assign veteran agents to pursue leaks of classified information. An FBI spokesman said such leaks are difficult to investigate and that hundreds of such probes have resulted in only one indictment.

Members of the congressional intelligence committees refused to comment. Bernard McMahon, staff director of the Senate Select Committee on Intelligence, said the initial reaction of some of the members has been curiosity. "I don't know even the extent to which there was such a plan," he said. "We have asked for the details We're taking a look at it."

The administration plan drew criticism yesterday.

"I think it was one of the most important and depressing stories I've read in a long time," said A.M. Rosenthal, executive editor of The New York Times. "The implications that our government was sitting around figuring out how to lie to the press makes me rather ill. It makes you ask a lot of questions. Who authorized this kind of thing? Has it happened before? Who's going to believe these people again?"

Staff writers David B. Ottaway, Lena Sun and Howard Kurtz contributed to this report.

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WASHINGTON POST 6 August 1986



Talking Points

CIA Tip . . .

Aviation Week and Space Technology reports this week that former Central Intelligence Agency deputy director John N. McMahon will soon become an executive vice president of Lockheed Corp. McMahon, a career CIA employe who retired March 29, will manage programs at the company's missiles and space electronic systems division, the magazine said.

-Marjorie Williams

Based on staff reports and news services

Approved For Release 2005/12/14: CIA-RDP91-00901R000600190009-6

ON PAGE 27

AVIATION WEEK & SPACE TECHNOLOGY 4 August 1986

Washington Roundup

It may not have anything to do with Lockheed's classified document problems, but watch for an announcement this week that a deputy director of the Central Intelligence Agency, John N. McMahon, will join the firm, becoming an executive vice president of Lockheed Missiles and Space Electronic Systems Group, taking charge of programs. The incumbent executive vice president, Jack Freeman, will concentrate on administration. McMahon is a career CIA executive, rising in the Langley hierarchy from his work in science and technology.

12 May 1986

STAT

U.S. backing rebels in 4 coupures

J By ALFONSO CHARDY Herald Washington Bureau

WASHINGTON - A year after quietly adopting a policy of support for anti-Communist insurgencies worldwide, President Reagan has embraced the causes of four rebel movements from Afghanistan to Nicaragua in a new strategy to loosen Soviet influence in the Third World.

Under the Reagan Doctrine, as the policy is generically known, U.S.-backed rebel armies are fighting Soviet-backed regimes in Afghanistan, Angola, Cambodia and Nicaragua. Reagan's rebels include 150,000 Afghan mujahadeen, 25,000 Angolan guerrilheiros, 20,000 Cambodian maquisards and 15,000 Nicaraguan

The number of guerrillas supported — about 210,000 — is the largest in U.S. history and the first to be assisted since the Central Intelligence Agency trained 80,000 Laotian and Vietnamese rebels during the Vietnam War.

As in the past, the CIA again is playing a central role. To implement the Reagan Doctrine, the spy agency is undertaking new covert operations at a budgeted cost of about half a billion dollars, according to administration officials briefed on the CIA programs.

They said that the immediate goal is to erode Soviet interests in the Third World, but that the ultimate objective is to deal a strategic blow against Moscow without using atomic

The strategy, recommended by CIA Director William Casey and approved by President Reagan in January 1985, rests on the premise that the superpowers are already engaged in a World War III of sorts involving proxy armies, the officials said.

From that perspective, the United States is trying to roll back Moscow's gains by aiding pro-Western rebels in those nations.

"The way to hurt Moscow is through the colonies, not in a frontal war which could end the world," said one official, quoting from briefings at which Casey's views have been outlined.

He said Casey believes the United States is justified in aiding foreign rebels because the

sians fired the first shot back in the 1960s when then-Soviet leader Nikita Khrushchev pledged to aid Third World "wars of national liberation.'

The CIA declined comment. But when queried on the subject, it released a copy of a little-publicized May 1, 1985, Casey speech to the Metropolitan Club of New York.

Casey then accused the Soviet Union and its partners of waging a "subversive war ... against the United States and its interests around the world for a quarter of

"This campaign of aggressive subversion has nibbled away at friendly governments and our vital interests until today our national security is impaired in our immediate neighborhood as well as in Europe, Asia, Africa and Latin America."

Primary targets

Casey noted that Moscow's backing of leftist rebels occurred at strategic locations aimed at three primary targets vital to U.S. security: Middle East oil fields, the Panama Canal and Mexico.

As a result, U.S. officials said, the CIA has become a virtual "freedom fighters" bureau and Casey a veritable vicar of the Reagan Doctrine of exporting anti-Soviet revolution.

The policy had its genesis in Reagan's decision six weeks after taking office Jan. 20, 1981, to sign a secret finding, or report, to the congressional intelligence committees authorizing the CIA to spend \$19.5 million to organize the first contingent of Nicaraguan contra rebels.

At that time Reagan also increased from \$100 million to \$250 million the annual CIA funding for mujahadeen rebels.

But the Afghan and Nicaraguan programs were uncoordinated.

The idea of a comprehensive policy can be traced to anti-Communist adventurer Jack Wheeler. known as the Indiana Jones of the right, who last year helped the pro-Reagan Citizens for America lobbying group organize the first summit of anti-Soviet insurgents in rebel-held Angolan territory.

Wheeler says he got the idea during a tour of battlefields in Afghanistan, Angola, Cambodia and Nicaragua in 1983. Returning to the United States, Wheeler briefed Casey, Secretary of State

George Shultz, then-United Nations Ambassador Jeane Kirkpatrick and Marine Lt. Col. Oliver North of the National Security Council, who today serves as the chief White House contact with the contras.

"Now it's our turn," Wheeler told a reporter in January during a gala dinner at the Washington Hilton hotel honoring visiting Angolan rebel chief Jonas Savimbi.

"In the 1960s, we had this endless succession of Marxist guerrilla heroes: Mao Tse Tung, Fidel Castro, Che Guevara; all the Che posters on all the college dorm walls in the 1960s. Now there are anti-Marxist guerrilla heroes."

Dreams made policy

In late 1984, the White House translated Wheeler's dreams into policy.

According to officials, the secret Restricted Inter-Agency Policy Group, made up of NSC, CIA, Pentagon and State Department representatives and known as the 208 Committee because it meets in room 208 of the Old Executive Office Building, met and recommended a coordinated policy of supplying lethal and "humanitariaid to four insurgencies.

They are:

 The Islamic Unity of Afghan Mujahadeen made up of seven rebel factions in Afghanistan.

- The National Union for the Total Independence of Angola, led by Savimbi.
- A coalition of Cambodian rebel groups led by Prince Norodom Sihanouk that also includes Pol Pot's murderous Khmer Rouge. U.S. officials say, however, that no American money reaches the Khmer Rouge.
- The United Nicaraguan Opposition headed by Adolfo Calero, Arturo Cruz and Alfonso Robelo.

In early 1985, Reagan endorsed the committee's proposal.

Shortly after, Congress handed Reagan a major victory that greatly advanced his freedom fighters' program, lifting a 1975 ban on aid to the Angolan rebels. Congress also approved assistance to the Cambodians.

The only glitch was that Congress refused to renew military aid to the Nicaraguans, approving instead \$30.1 million in nonlethal assistance, communications gear and CIA aid to finance contra expenses and projects.

This year, the 208 Committee upgraded the Reagan Doctrine by escalating CIA operations in Afghanistan, Angola, Cambodia and Nicaragua.

a century or more," Approved For Release 2005/12/14 : CIA-RDP91-00901R000600190009-6

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According to congressional sources with access to classified data, Reagan approved committee proposals to provide sophisticated portable anti-aircraft Stinger missiles to the Afghan, Angolan and Nicaraguan insurgents; comprehensive war plans to the Nicaraguans and encrypted radios and logistical aid to the Cambodians.

F 4

The sources said Reagan signed secret findings in early 1986

authorizing the CIA and other agencies to administer \$523 million in new assistance to the four insurgencies.

According to the sources, the breakdown includes:

- \$400 million in military and humanitarian aid to the Afghan mujahadeen, including 150 Stingers.
- \$100 million in military and logistical assistance to the Nicaraguan contras, including 50 Stingers.
- \$15 million in military and nonlethal aid to Savimbi's UNITA in Angola, along with 50 Stingers.
- \$8 million in nonlethal aid to the Cambodians, including uniforms, medical supplies, food, communications equipment and intelligence data.

Plagued by problems

Only the Angolan and Cambodian programs are proceeding smoothly. The Afghan and Nicaraguan operations have been plagued by logistical and political problems.

CIA officers delivered the first 12 Stingers to Afghan guerrillas in April. But Andrew Eiva of the Federation for American-Afghan Action, a Washington group that lobbies for mujahadeen aid, said 11 Stingers fired by the rebels at Soviet aircraft missed because of "training mismanagement."

As for the Nicaraguans, the Stingers intended for them were never delivered because of the continued resistance in Congress to approve their aid program. The administration has since decided not to supply Stingers to the contras.

Dissension within the administration also has been reported.

In a Feb. 24 letter to Reagan, CIA deputy director John McMahon resigned, citing "personal reasons." However, intelligence sources said McMahon quit to protest the 208 Committee's recommendation for stepped-up covert actions on behalf of the foreign rebels. McMahon has denied that assertion.

Reagan Doctrine Beneficiaries

According to sources, President Reagan has authorized \$523 million in assistance to the following four insurgencies: \$400 MR.LION in military and humanitarian aid to the Afghan mulahadeen, including 150 Stingers.

\$100 MILLION in military and logistical assistance to the Nicaraguan contras, including 50 Stingers.

Sti Mil Lion in military and nonlethal aid to Jonas Savimbi's UNITA in Angola, along with 50 Stingers.

SMILLION in nonlethal aid to the Cambodians, including uniforms, medical supplies, food, communications equipment and intelligence data.

ESSAY | William Safire

Spilling the NID

WASHINGTON
Casey, Director of
Central Intelligence, appears to be getting nervous
in the service on the subject of leaks.
Having been made the laughingstock
of world spookery by his mishandling
of the defector Yurchenko, he is now
threatening journalists with jail
terms for publishing secrets other
than those leaked from the top.

He is joined in this always-popular pastime of intimidation by David Durenberger, chairman of the Senate Select Committee on Intelligence, whose heavily publicized midlife crisis makes him seem, in my opinion, eager to show he has not become

a blabbermouth.

Let me put forward my own National Estimate of the crackbrained

crackdown.

John McMahon, until two months ago the C.I.A.'s Deputy Director, was the product of its intelligence-gathering side, and resisted Director Casey's policy (with which I agree) of putting missiles in the arms of freedom fighters willing to shoot them at oppressors in Afghanistan, Africa and Nicaragua,

He was booted out and replaced by Robert Gates, who came up through the evaluation rather than gathering branch. Mr. Gates is thus more a driver of spies than a spy by trade; he is comfortable with the Casey covert action, and his pride and joy has been the National Intelligence Daily.

This "NID," with its blue cardboard cover and 10 or 12 pages of information, is the evaluated product of the intelligence community. The circulation is limited to about 200 officials whose lowest clearance is "top secret," and who enjoy the thrill of insidership six mornings a week. (On Sundays they have to rely on the newspapers, and can catch up on what is happening.)

Do not confuse the NID with the P.D.B.—the President's Daily Briefing, in the white cover — which goes to only a handful of people, and which I presume contains poop from the human group as well as from satellites and big ears. (I used to confuse the NID with the New International Dictionary, Merriam-Webster's Unabridged, and found it difficult to understand why spooks were concerned that "the NID is leaking.")

That's it. That's the reason Mr. Casey is having fits, losing sight of the freedoms we hired him to protect: the NID is leaking.

Rather than consider if secrets are coming out of C.I.A. or N.S.A. (No Such Agency), where fooling the polygraph is child's play, the blame is being placed on the consumers of intelligence: the 200 NID subscribers, a third of whom are in the Pentagon.

A scapegoat was needed to send a warning to the list, and to justify the lie detector "experiment" within the Pentagon. After a story appeared in the Evans and Novak column about using Zaire as the distributor of missiles to the Savimbi insurgents in Angola—information that may have been in the NID—Michael Pillsbury, a Defense official, was fluttered and bounced.

"Mike the Pill" was expendable; as a Senate aide in the hard-line "Madison Group" during the Carter era, Mr. Pillsbury was a valued Casey-Weinberger ally; but now the Jesse Heims crowd is losing its clout and the firing of Mike the Pill could serve as a warning to others. Moreover, a head on a platter was needed for Zaire.

Then Bill Casey went a bridge too far. To scare the press, he went to The Washington Post to say that if a cartain Bob Woodward story was published, he would recommend prosecution under some untested statute. "I'm not threatening, but..."

The Justice Department, however, while willing to go after leakers in Gov-

The C.I.A. tries to spook the press

ernment, is unwilling to join Mr. Casey in chilling the leakees in the press.

One reason is that law enforcement officials have long been aware of, and are discreetly curious about, meetings held in Mr. Casey's home, alone, between the Director and reporter Woodward, who is writing a book about the C.I.A.

I would never ask Bob Woodward about that, because a man's sources or non-sources are nobody's business but his own. But a few months back I put the question buzzing around Justice directly to my old friend Casey.

"I haven't seen Woodward for 18 months," was the gruff reply. No basis at all to the obvious F.B.I. wonderment if Mr. Casey was the source of the stories he most complains about. He does readily admit seeing Mr. Woodward (as he did me) long ago.

I do not suggest that the Director of Central Intelligence has ever been the source of a fact the Government does not want known. But to the extent politicians on background seek to use journalists to advance policy, Mr.: Casey and even higher officials are "sources." They will find their outlets turn user-unfriendly when their carrots become sticks.

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THE CIA IN TRANSITION

Casey Strengthens Role Under 'Reagan Doctrine'

By Patrick E. Tyler and David B. Ottaway Washington Post Staff Writers

When the Soviet Union shot down a Korean Airlines plane in September 1983, an angry President Reagan told CIA Director William J. Casey that the United States should send U.S.-made antiaircraft missiles to Afghanistan to help the rebels shoot down a few Soviet military aircraft in retaliation.

Casey was willing, but the plan was never approved, in part because of a reluctant Central Intelligence Agency bureaucracy, according to one source. Some top CIA officials argued that introducing U.S. weapons into that conflict would escalate it dangerously, end any possibility of "plausible denial" of U.S. involvement for Washington and alienate Pakistan, the main conduit for covert American aid to the rebels.

Now, with the decision to begin supplying U.S.-made Stinger anti-aircraft missiles to the rebels in Angola and Afghanistan, the Reagan administration apparently has dispensed with such cautionary diplomacy. In so doing it has thrust the CIA into a far more public role

the CIA into a far more public role as the lead agency in carrying out the United States' secret diplomacy.

This stepped-up commitment, under what some administration officials have called the "Reagan Doctrine," is dedicated to the president's vision of effectively supporting anticommunist "freedom fighters" in their struggle against Soviet-backed Marxist governments in the Third World.

An earlier article in this occasional series examined the evolution and debate over the "Reagan Doctrine." This one focuses on the role of the CIA in implementing that doctrine and the agency's remarkable growth during the tenure of Casey, the former Reagan campaign manager turned spymaster.



Casey's influence, both in rebuilding the CIA and as a trusted counselor to the president, has made him a critical and sometimes controversial player in the administration.

During his five years as CIA director, the intelligence budget has grown faster than the defense budget and the agency has rapidly rebuilt its covert-action capabilities with a goal of restoring the prestige of the CIA's Directorate of Operations. The "DO," as it is called, suffered a series of purges and investigations during the 1970s and its image was smeared by disclosures of past assassination plots, use of mind-altering drugs and spying on U.S. citizens.

Since that time, a new generation of senior managers has ascended to the top of the CIA, and they in general have been a more cautious breed, eager to avoid risky operations that would embarrass the agency if disclosed

But Casey is not a prisoner of that past.

He is one of the anti-Soviet "activists" in the top echelon of an administration that has promoted stepped-up U.S. involvement in the struggle to "roll back" recent Soviet gains in the Third World. While supporting the CIA's more cautious career bureaucracy, Casey also has moved quietly—sometimes in his political channels—to prepare his agency for a more aggressive role in countering Soviet influence in the Third World.

goals in Nicaragua and elsewhere in the Third World. More than once, according to sources, Casey has angrily rejected CIA analyses that did not mesh with the anti-Soviet pronouncements of White House policy-makers and speech writers.

One key senator has said that relations between Casey and the committees are at an all-time low. The penalty for Casey could come in the next two months as the committees prepare to make the largest cuts in the intelligence budget since the Carter administration.

Some officials see Casey's most formidable challenge in Reagan's second term as facing severe budget cuts mandated by the Gramm-Rudman-Hollings deficit-reduction act. This comes as the U.S. intelligence community is projecting multibillion-dollar outlays for a new generation of high-technology spy satellites that some officials say are badly needed to guard U.S. interests until the end of the century.

Some critics charge that Casey is 40 years out of touch with intelligence management and shows obsessive interest in mounting covert operations in the style of the World War II Office of Strategic Services, where he cut his teeth on clandestine warfare under Gen. William J. Donovan. His critics point out that these were tactics of a bygone era. The country was at war; the more covert operations the better.

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